

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 707 - SB 775

March 12, 2019

SUMMARY OF BILL: Requires the boards of each state institution of higher education to create and approve a policy requiring all public institutions of higher education to compensate adjunct professors employed or contracted to teach a course at the institution at least \$1,000 per credit hour taught.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures –

Exceeds \$5,503,600/Locally-Governed Institutions

Exceeds \$17,584,000/Community College System

Exceeds \$1,452,800/University of Tennessee

Assumptions:

- Currently adjunct professors are paid at a rate ranging from \$400 to over \$1,000 per credit hour depending on the university and the qualifications of the adjunct professor.
- Based on information provided by each of the institutions an increase in salary will also increase benefits ranging from 7.5 to 8.5 percent.

Assumptions relative to the Locally-Governed Institutions:

- Based on information provided by the locally-governed institutions (LGIs) the table below shows an average of the total credit hours taught by an adjunct professor in FY17-18 at each institution and the average amount each adjunct professor is currently paid per credit hour.
- The recurring increase in state expenditures for LGIs is estimated to exceed \$5,503,619.

Assumptions relative to the Tennessee Board of Regents - Community Colleges:

- Based on information provided by the Tennessee Board of Regents (TBR), currently there is an approximately 40,836 credit hours taught by an adjunct professor at an average of \$600 per credit hour across all campuses.
- The recurring increase in state expenditures for the TBR is estimated to exceed \$17,583,982 as shown in the table below.

Assumptions relative to the University of Tennessee System:

- Based on information provided by the University of Tennessee the table below shows an average of the total credit hours taught by an adjunct professor in FY17-18 at each institution and the average amount each adjunct professor is currently paid per credit hours.
- The recurring increase in state expenditures for the University of Tennessee system is estimated to be \$1,452,777.

Higher Education Institutions	Credit Hours Taught FY17-18	Average amount per credit hour	Proposed amount per credit hour	Increase per credit hour	Benefits	Increase to state expenditures
Austin Peay	4,273	\$750	\$1,000	\$250	7.65%	\$1,149,971
East Tennessee State University	4,203	\$750	\$1,000	\$250	7.65%	\$1,131,132
Middle Tennessee State University	3,950	\$700	\$1,000	\$300	7.65%	\$1,275,653
Tennessee State University	1,170	\$624	\$1,000	\$376	7.65%	\$473,574
Tennessee Tech University	2,200	\$600	\$1,000	\$400	7.65%	\$947,320
University of Memphis	4,524	\$892	\$1,000	\$108	7.65%	\$525,969
Total Increase for Locally-Governed Institutions :						\$5,503,619
UT Knoxville Coll. of Social Work	300	\$833	\$1,000	\$167	7.65%	\$53,933
UT Chattanooga	1,239	\$739	\$1,000	\$261	7.65%	\$348,117
UT Martin	2,940	\$670	\$1,000	\$330	8.30%	\$1,050,727
Total Increase for University of Tennessee System:						\$1,452,777
Tennessee Board of Regents	40,836	\$600	\$1,000	\$400	7.65%	\$17,583,982
Total Increase in State Expenditures:						\$24,540,378

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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